

## HOUSE BILL NO. 491

INTRODUCED BY J. TROPILA, SCHMIDT, CALLAHAN, GALVIN-HALCRO, MANGAN, MATTHEWS

A BILL FOR AN ACT ENTITLED: "AN ACT INCREASING THE ~~MINIMUM~~ BENEFIT PAID TO CERTAIN BENEFIT RECIPIENTS IN THE MUNICIPAL POLICE OFFICERS' RETIREMENT SYSTEM WHO ARE NOT COVERED BY THE GUARANTEED ANNUAL BENEFIT ADJUSTMENT BY PROVIDING A ONE-TIME PERMANENT AD HOC PURCHASING POWER ADJUSTMENT; ~~AMENDING SECTION 19-9-1007, MCA;~~ AND PROVIDING AN IMMEDIATE EFFECTIVE DATE."

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

~~Section 1. Section 19-9-1007, MCA, is amended to read:~~

~~"19-9-1007. Minimum benefit adjustment. (1) The benefits that are paid in each fiscal year to a retired member or the member's survivors and that are not covered by 19-9-1009 may not be less than one-half of the compensation, as defined in subsection (4), that will be paid to newly confirmed police officers a police officer with 10 years of seniority with the department in the current fiscal year in the city or town from which the member retired.~~

~~(2) If the compensation of a newly confirmed police officer with 10 years of seniority with the department has not been set for the current fiscal year in time to make minimum benefit adjustments effective July 1, the division shall make any retroactive adjustments necessary to individual minimum benefits after the current compensation has been determined.~~

~~(3) If more than one dependent child is entitled to benefits under this section by virtue of the death of a common parent, the minimum benefit paid to the dependent children under this section must be determined as if there were one dependent child and the benefits must be paid to the dependent children collectively.~~

~~(4) For purposes of this section, "compensation" means base salary plus longevity pay."~~

NEW SECTION. SECTION 1. ONE-TIME PERMANENT AD HOC PURCHASING POWER ADJUSTMENT. BEGINNING WITH THE FIRST BENEFIT PAYMENT AFTER [THE EFFECTIVE DATE OF THIS ACT], THE BOARD SHALL PROVIDE A ONE-TIME PERMANENT AD HOC BENEFIT INCREASE TO RETIRED MEMBERS AND BENEFICIARIES OF THE RETIREMENT SYSTEM WHO ARE

1 RECEIVING A MONTHLY RETIREMENT BENEFIT AND WHO ARE NOT COVERED BY [19-9-1009 OR 19-9-1010]. THE AD HOC  
2 BENEFIT INCREASE MUST BE CALCULATED BY THE BOARD ACTUARY AND APPROVED BY THE BOARD. THE BENEFIT INCREASE  
3 MUST BE DESIGNED TO BRING THE BENEFIT RECIPIENT'S CURRENT BENEFIT UP TO A LEVEL ESTIMATED TO BE NO LESS THAN  
4 75% OF THE PURCHASING POWER OF THE ORIGINAL RECIPIENT'S INITIAL MONTHLY BENEFIT. PURCHASING POWER MUST  
5 BE CALCULATED CONSIDERING THE DATE THAT THE FIRST BENEFIT WAS PAID TO THE ORIGINAL BENEFIT RECIPIENT,  
6 APPLICABLE BENEFIT INCREASES SINCE THAT DATE, AND A COMPARISON WITH THE CONSUMER PRICE INDEX FOR URBAN  
7 WAGE EARNERS AND WORKERS, COMPILED BY THE BUREAU OF LABOR STATISTICS OF THE UNITED STATES DEPARTMENT  
8 OF LABOR SINCE THE DATE THE FIRST BENEFIT WAS PAID TO THE ORIGINAL BENEFIT RECIPIENT.

9  
10 NEW SECTION. SECTION 2. CODIFICATION INSTRUCTION. [SECTION 1] IS INTENDED TO BE CODIFIED AS AN  
11 INTEGRAL PART OF TITLE 19, CHAPTER 9, PART 10, AND THE PROVISIONS OF TITLE 19, CHAPTER 9, PART 10, APPLY TO  
12 [SECTION 1].

13  
14 NEW SECTION. SECTION 3. COORDINATION INSTRUCTION. IF HOUSE BILL NO. 294 IS PASSED AND  
15 APPROVED, THEN THE BRACKETED LANGUAGE IN [SECTION 1 OF THIS ACT] CITING 19-9-1009 AND 19-9-1010 MUST  
16 READ "[SECTION 16 OF HOUSE BILL NO. 294]".

17  
18 NEW SECTION. Section 4. Effective date. [This act] is effective ~~July 1, 2001~~ ON PASSAGE AND  
19 APPROVAL.

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